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Robert R. Kinas (Nevada Bar No. 6019)
 Claire Y. Dossier (Nevada Bar No. 10030)
 Nishat Baig (Nevada Bar No. 11047)
 SNELL & WILMER L.L.P.
 3883 Howard Hughes Parkway, Suite 1100
 Las Vegas, Nevada 89169
 Telephone: (702) 784-5200
 Fax: (702) 784-5252
 Email: rkinas@swlaw.com
 cdossier@swlaw.com
 nbaig@swlaw.com
 Attorneys for FNBN-CMLCON I, LLC

David E. Leta (Utah Bar No. 1937)
 SNELL & WILMER L.L.P.
 15 West South Temple, Suite 1200
 Salt Lake City, UT 84101-1004
 Telephone: (801) 257-1900
 Facsimile: (801) 257-1800
 Email: dleta@swlaw.com
 Appearing Pro Hac Vice

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re:

Case No.: 09-23539-mkn

ASCENDANT UTAH, LLC,

Chapter 11

Debtor.

**DECLARATION OF DONALD E.
 WALLACE IN SUPPORT OF FNBN-
 CMLCON I, LLC'S MOTION FOR
 RELIEF FROM THE AUTOMATIC
 STAY**

FNBN-CMLCON I, LLC

Hearing Date: December 23, 2009

Movant,

Hearing Time: 10:30 a.m.

v.

Hearing Location:

ASCENDANT UTAH, LLC,

**United States Bankruptcy Court
 Foley Federal Building
 300 Las Vegas Blvd South, Third Floor
 Bankruptcy Courtroom No. 2
 Las Vegas, NV 89101**

Respondent.

Donald E. Wallace hereby makes this Declaration in Support of FNBN-CMLCON I, LLC'S("FNBN" or "Lender") *Motion for Relief from the Automatic Stay* (the "Motion") in the above matter and states as follows:

1. I am COO / General Counsel for Sorensen Group Management, LLC with personal knowledge of the facts set forth herein and am authorized by FNBN to make this declaration.

2. On or about July 28, 2006, Ascendant Utah LLC (the "Debtor") executed a promissory note (the "Note") in favor of Lender in the amount of \$25,025,000.00. See Exhibit B

1 to the Motion.

2 3. The Note is evidenced by that certain Business Loan Agreement (the
3 “Agreement”) dated July 28, 2006. *See* Exhibit C to the Motion.

4 4. The Note is secured by a mortgage (the “Mortgage”), duly recorded with the
5 Washington County Recorder on July 31, 2006 as Document Number 20060033992, granting
6 FNBN a security interest in certain real property (the “Property”) more particularly described
7 therein. *See* Exhibit D to the Motion.

8 5. On or about August 23, 2007, Lender and Debtor executed that certain
9 “Amendment to Promissory Note” and “Amendment to Business Loan Agreement” (collectively
10 the “First Amendment”) to extend the maturity date from July 27, 2007 to October 25, 2007 in
11 exchange for an extension fee in the amount of \$260,286.94. *See* Exhibit E to the Motion.

12 6. On or about December 14, 2007, Lender and Debtor executed that certain
13 “Amendment to Promissory Note” and “Amendment to Business Loan Agreement” (collectively
14 the “Second Amendment”) to extend the maturity date from October 25, 2007 to January 23,
15 2008 and decrease the loan amount to \$25,000,000.00 in exchange for an extension fee in the
16 amount of \$355,619.54. *See* Exhibit F to the Motion.

17 7. On or about March 13, 2008, Lender and Debtor executed that certain
18 “Amendment to Promissory Note” and “Amendment to Business Loan Agreement” (collectively
19 the “Third Amendment”) to extend the maturity date from January 23, 2008 to January 21, 2009
20 in exchange for an extension fee in the amount of \$333,400.00. *See* Exhibit G to the Motion.

21 8. The Note, the Agreement, the Mortgage, the First Amendment, the Second
22 Amendment and the Third Amendment hereafter will be collectively referred to as the “Loan
23 Documents.”

24 9. Pursuant to the Loan Documents, FNBN holds a first priority interest in and to the
25 Property although incorrectly stated in Debtor’s statements and schedules. *See* Exhibit H to the
26 Motion.

27 10. As of January 21, 2009, the loan matured and became due in full.

28 11. Debtor failed to pay the loan as and when due.

12. On or about July 28, 2009 (the "Petition Date"), Debtor filed a Chapter 11 bankruptcy petition in this Court.

13. As of the Petition Date, the Debtor owed no less than \$25,179,347.67 to FNBN.

14. Debtor has not made payments to FNBN since March 28, 2008.

15. FNBN was informed that insurance on the Property had lapsed in September 2009.

16. Upon information and belief, the Property remains uninsured.

17. I have personal knowledge of the foregoing and would testify thereto in open Court if called as a witness.

18. I have reviewed the Motion, know the contents thereof, and affirm that, to the best of my knowledge, its contents are true and accurate.

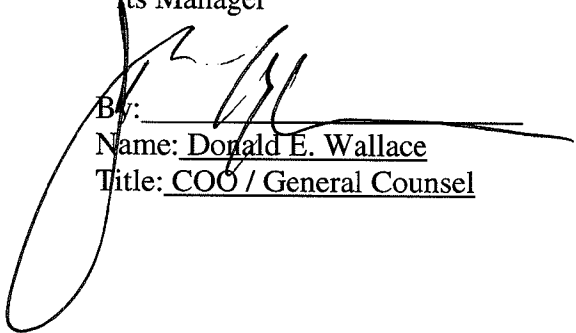
DATED this 24th day of November, 2009.

FNBN PROPERTIES II, LLC
a Delaware limited liability company

By: FNBN-CMLCON I LLC,
a Delaware limited liability company, its Manager

By: SGH FNB VENTURES, LLC,
a Delaware limited liability company,
its Manager

By: SORENSON GROUP
MANAGEMENT, LLC
a Delaware limited liability company,
its Manager

By: 
Name: Donald E. Wallace
Title: COO / General Counsel